JANUARY 1990/ A CAHNERS PUBLICATION

61886-12
ISC-South
Feb. 15-17
Orlando, Fla.

SECURITY

THE MAGAZINE FOR SECURITY DECISION MAKERS

Jon Scolpino
Security Manager
Boehringer Ingelheim
Pharmaceuticals Inc

1990 Forecast: Budgets, Threats, Staffing and More!

Flexible Cure For Security Ills

Tough Interview Talk

BONUS REPORT on Sensors and Detectors

Equipment Focus: Protecting with High Security Padlocks

SECURITY

THE MAGAZINE FOR SECURITY DECISION-MAKERS

A CAHNERS PUBLICATION/VOLUME 27, NUMBER 1/JANUARY 1990

DEPARTMENTS

9 Editorial/Masthead

12 Security Indicators
Liability concerns grow. Contract services are going strong.

15 Idea Exchange
Getting the most from contract officers and workplace accident prevention.

Access control technologies join to protect high security site. (p. 18)

23 Issues
Photo ID vs. computer imaging

67 Product Update

76 Suppliers Index

78 Classifieds

83 Reader Service Cards

FEATURES

38 Cover Story
FLEXIBILITY CONQUERS CHALLENGES
A pharmaceutical company's security team stays flexible as it faces daily challenges that range from strike management to site protection.

29 CHARTING SECURITY'S COURSE
SECURITY Magazine's 1990 Forecast Study of America's security operations shows that this year will include decreased budgets, increased business stability and greater use of outside services.

43 SPECIFIERS GUIDE TO SENSORS AND DETECTORS
This SECURITY Magazine supplement covers all you need to know about protecting property and people by putting the right sensors in the right places.

The January cover story reveals what goes on behind a major pharmaceutical manufacturer's secure doors. (p. 38)

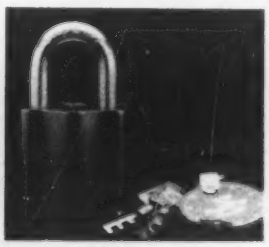
On the Cover
John Scolpino, security manager, Boehringer Ingelheim Pharmaceuticals, Ridgefield, Conn., successfully tackles a variety of security tasks simultaneously. (p. 38)

SERVICES

55 Pre-Employment Interviewing With A Purpose
Here's how to acquire interviewing strategies that result in lower turnover.

EQUIPMENT FOCUS

58 High Security, Low Ticket Padlocks Resist The Toughest Tamperers and Weather
Choose the high security padlock that suits your needs and climate.



One key to security padlocks. The complete story in EQUIPMENT FOCUS. (p. 58)

Cahners Publishing Company, A Division of Reed Publishing USA ☐ Specialized Business Magazines for Building & Construction ☐ Manufacturing ☐ Foodservice & Lodging ☐ Electronics & Computers ☐ Interior Design ☐ Printing ☐ Publishing ☐ Industrial Research & Technology ☐ Health Care ☐ Entertainment ☐ Specialized Consumer Magazines: American Baby ☐ Modern Bride.
SECURITY (ISSN 0890-8826) is published monthly, except for March, June and September when two issues are published in national and separate editions, by The Cahners Publishing Company, A Division of Reed Publishing USA, 275 Washington St., Newton, MA 02158-1630. Terrence M. McDermott, President; Charles E. Moodhe, Senior Vice President/General Manager, Chicago Division; Jerry D. Neth, Senior Vice President/Publishing Operations; J.J. Walsh, Senior Vice President/Finance; Thomas J. Dellamaria, Senior Vice President/Production and Manufacturing; Ralph Knupp, Vice President/Human Resources. Circulation records are maintained at Cahners Publishing Company, 44 Cook St., Denver, CO 80206-5800. Phone: 303/388-4511. Second-class postage paid at Denver, CO 80206-5800 and additional mailing offices. Postmaster: send address corrections to *SECURITY* at our Denver address.

SECURITY copyright 1990 by Reed Publishing USA; Ronald G. Segel, Chairman and Chief Executive Officer; Robert L. Krakoff, President and Chief Operating Officer; William M. Platt, Senior Vice President.

Annual subscription rates for non-qualified people: USA, $59.95; Canada/Mexico, $89.95; other countries, $115 for surface mail and $165 for air mail. Special issues, including product directory, are $50. Except for special issues where price changes are indicated, single copies of regular issues are available for $10, $14 and $18 (USA, Canada/Mexico and foreign). Please address all subscription mail to *SECURITY*, 44 Cook St., Denver, CO 80206-5800.

SECURITY INDICATORS

Trends and forecasts for determining loss prevention needs.

SECURITY SURVEY

Liability Issues Lead To Growing Concern

Nearly one in three security decision makers — 31 percent — say that liability is a problem for their security department and employer. Respondents in retail report the highest liability concern at 54 percent, says SECURITY Magazine's Fourth Quarterly Telephone Survey.

Eleven percent of security decision makers surveyed say they have been named in a liability action within the past 12 months; 27 percent who work for the government say this.

DATA SECURITY BANK

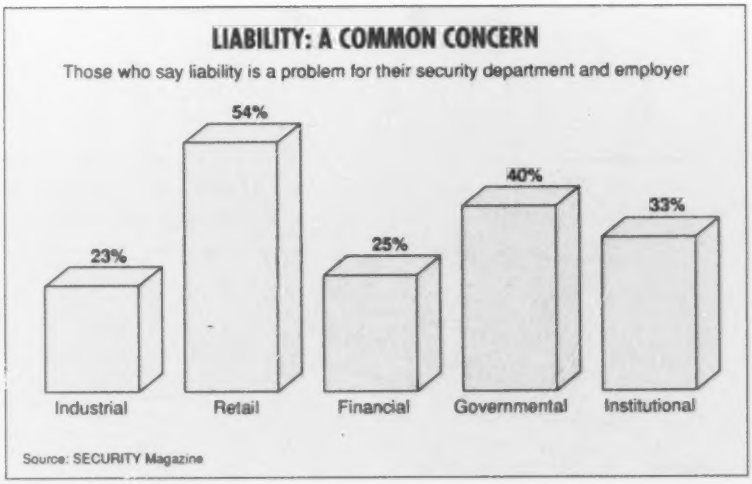
SECURITY's Fourth Quarterly Telephone Survey also reveals that organizations that employ security decision makers are more likely to offer an employee assistance program for drug and alcohol abuse and psychological counseling.

Of respondents, 99 percent say their organizations offer employee assistance programs for alcohol and drug abuse. An additional 96 percent say that their organizations offer psychological counseling.

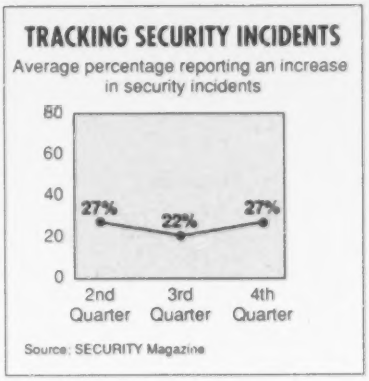
Nationally, employee assistance programs are fewer and farther between. Of the 84.9 million American workers in private, non-agricultural jobs in 1988, only 31 percent worked for a company that offered an assistance program. The figures are promising, however. The number of assistance programs has tripled in five years.

SECURITY Magazine's quarterly tracking question, "Has the number of security incidents increased, decreased or remained the same over the past three months?" shows that retail leads the way in security incidents in the third quarter.

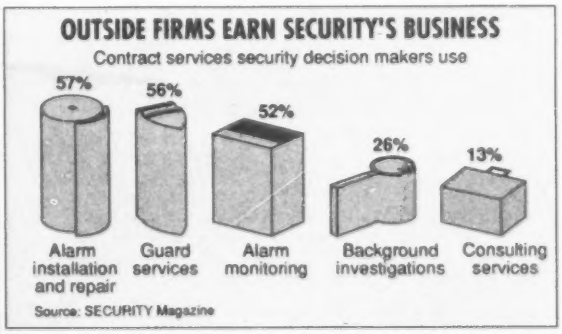
While an average 27 percent of respondents report an increase in security incidents, retail is much higher at 46 percent. And, 18 percent of respondents report an incident decrease.



Liability is an issue for almost one in three security departments.



SECURITY's Fourth Quarterly Survey shows an increase in incidents.



Contract services continue to attract security's business into the new decade — especially alarm installation services.

1990 FORECAST STUDY

Contract Services Going Strong Into the 1990s

The SECURITY Magazine 1990 Forecast Study reveals that security decision makers are increasingly taking advantage of security-related contract services — especially alarm installation, maintenance and repair services — to keep security running at full speed.

Among respondents, 57 percent contract for alarm services with an outside firm. Guard services are also popular; 56 percent say they contract for this service.

Other services in demand are armored couriers, substance abuse testing, background investigations, disaster planning and recovery, and consulting services. For detailed coverage of 1990 Forecast Study results, see "Charting Security's Course" elsewhere in this issue.

SAFETY AND ETHICS

Corporate Performance Goals Deviate Among Constituencies

Hands down, safe working conditions take priority among employees — and employees only.

So says a survey conducted by Sirota, Alper & Pfau, New York, which surveyed employees, mayors and investors nationwide. Employees' job safety is more important than good pay, job security and fair workload. Although money is a consideration, workers are more concerned with the safety of the buildings and equipment they use.

"A surprising number of workers already see their employers doing something about safety, but they want to see employers do more," says Joseph Kinney, executive director, National Safe Workplace Institute, Chicago. "More than 98 percent of workers believe the government should be spending as much on job safety as on environmental protection."

Safety on the job tops employees' priorities; good pay and training lag.

While safe working conditions ranked first among employees, it isn't a consideration for mayors and investors. Ethical corporate behavior is the most important corporate performance goal for 71 percent of mayors. And competent top management was the top goal for 44 percent of investors.

Regardless of differences in priorities, ethical corporate behavior, honest communication and competent top management score high among all.

NEWS

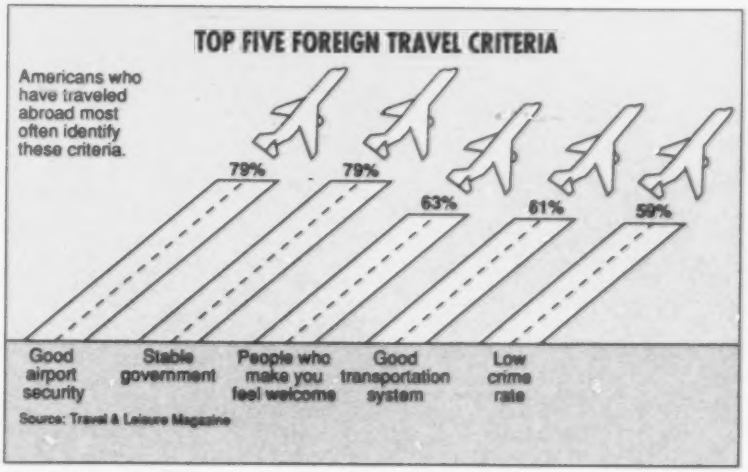
Security Wrap-Up: Ethics, Fraud, Teens, Campus Crime

▶ **Ethics compliance** is emerging as an area of security involvement, says the 1990 SECURITY Forecast Study. When asked to respond to the statement, "Ethics compliance is a security task," respondents averaged a score of 3.4 on a scale of 0 to 5, with 5 denoting strongest agreement.

▶ A growing **credit card fraud** threat: a more sophisticated thief who files fraudulent credit card applications with a smathering of legitimate information. In many cases, that information is obtained by criminals who take jobs as janitors or security officers in order to steal personnel records.

▶ The national decline in the teenage population is having a reverse effect on the rate of **teenage shoplifters.** While the overall teenage population is down, the percentage of teenage shoplifters is up, according to a recent survey. This, along with drugs, helps explain the nation's 33 percent rise in shoplifting since 1986.

▶ Property and violent crimes on **college campuses** decreased in 1989, according to FBI statistics. Property crime declined almost 4 percent, and violent crime decreased just over 10 percent. The number of incidents per 1,000 students ranged from five at Macomb Community College, Mich., to 68 at the University of Calif., Davis. The push for increased campus security may attribute to incident decreases.



Dependable airport security is more important to flyers than tourist attractions.

TERRORISM

Airport Security Hovers Above Other Travel Concerns

One out of 10 Americans who have traveled abroad — approximately 1.8 million Americans — have cancelled a foreign trip because of a terrorist concern. So says the 1989 Travel and Leisure Study of Americans who traveled in the last year.

The study reports that while travelers are looking for new experiences and excitement, they are also very concerned about security. These elevated security concerns demonstrate the long-term impact of terrorism on foreign travel, the survey says.

Americans who have traveled abroad or who say they soon plan to do so place security and safety concerns highest among their travel criteria. The majority — 79 percent — say good airport security is very important when choosing foreign destinations.

Good airport security tops a list of 19 considerations that include friendly culture, favorable exchange rate and famous sites to visit.

A stable government is also important to 79 percent of respondents. And low crime rate ranked in the top five considerations, with 59 percent saying it's important when choosing a foreign destination. Just 10 percent say they would travel around the world.

CHARTING SECURITY'S COURSE

Map out your programs, staffing, budget and purchases.

By Bill Zalud
Editor

Welcome to 1990! This year will include: A little less budget, a little more business stability. More equipment to upgrade current gear and cover expansions. More outside services to hold down inside staff with substance abuse's resource-eating appetite continuing to grow.

According to an exclusive SECURITY survey of America's security operations, 1990 holds promise and challenges.

- BUDGETS: Growth will lag inflation more than last year. But more operations have increased budgets, with new dollars for equipment rather than personnel.
- PRODUCTS, SERVICES: Increased security dollars will go to CCTV, access control and contract officers.
- STAFFING: Security employee numbers continue relatively stable at 11 per organization, on the average.

Strategy: Surviving Business Change

"This is an era of leveraged buy outs, mergers, acquisitions, reorganizations and downsizing," says Daniel L. King, director of loss prevention, Marriott Corp., Washington, D.C. Such developments will continue to impact security

"The key to survival is adaptation," advises King. His successful strategy: become a generalist. "Security must be skillful in multiple disciplines. You must be operationally driven."

Security needs a better understanding of how loss prevention and security relate to traditional corporate disciplines such as operations, finance, legal, human resources and marketing.

Going beyond mere teamwork, such a macro perspective allows security to leverage benefits and market results to others within the organization — even when a company faces major changes in ownership or direction. Making and using allies is a key.

THREATS AND RESPONSES

Substance abuse has eclipsed other, traditional concerns.

Almost 55 percent of security decision makers feel this was the biggest security concern last year, while 51 percent believe property crime was. These two threats are both more than double others, including white collar and violent crime.

Liability took the biggest tumble, from third to fifth. At the low end, product tampering and arson also fell.

New to SECURITY's Forecast, ethics placed midway in a list of 12 concerns, with about 19 percent labeling it the biggest headache.

Neighborhood Crime Impact

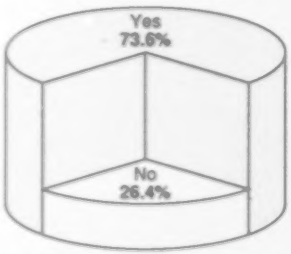
Experts link vicinity crime and the workplace. Tracking this linkage since 1980, there's increased impact of crime in the workplace.

Of three traditional threats — property, white collar and violent crime — property crime is most widespread in the vicinity of the company.

However, when comparing vicinity crime growth in 1989 to 1980, white collar and violent crime increased slightly while property crime stalled — indicating an escalation of threats.

More linkage? While a vast majority of security decision makers agree employees are safe and secure to and from work, less agree now than in 1980.

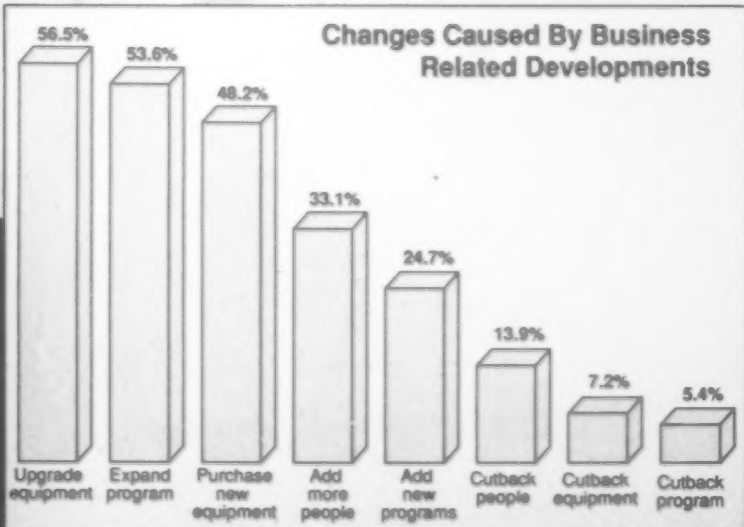
Do Business Developments Impact Security?



Nearly three out of every four security decision makers feel business developments impact the operation.

Source: SECURITY

Changes Caused By Business Related Developments



Adding to current equipment and programs are the two top ways security adapts to business-related developments. Total equals more than 100% due to multiplue answers.

Source: SECURITY

Biggest Security Concerns In 1989

Substance abuse moved to the top spot of major security concerns in 1989. Total equals more than 100% due to multiple answers.

Source: SECURITY

Investment Ups and Downs

Such challenges demand a security investment and top management support. Here, there's good and bad news.

The good news: Most security decision makers strongly agree their organization's investment in security has increased over 1980. Most agree that employees are safe at work too.

The bad news: Top management support is slipping. While support exists, it continues to drift progressively downward when compared to 1980. There's slippage in safety too: security's less sure it can meet future safety needs.

STATE OF THE ORGANIZATION

Still reeling from a decade of change, business has settled down — but down to leaner, more constant downsizing. Nearly three of four security operations felt the impact of business developments.

Yet contradictions abound.

Expansion is strong and continuing — almost 60 percent added or expanded a facility. There's a drop in layoffs and plant/office closings.

But acquisitions, reorganizations and mergers, compared to 1989, continue. The second most cited development, almost 39 percent just completed such a process, and it affected the security effort in some way.

Business Alters Security

These business developments can make spending go up or down. Improvements are most often cited ranging from upgrading equipment to starting a new program. Least mentioned are fall-backs: cutting back people and programs.

SECURITY BUDGETS

Budget growth in 1990 will lag inflation more than last year. Yet more security operations report increases.

There is a projected 1990 security budget increase of 3.8 percent over 1989. This compares with a projected 1989 increase of 4.3 percent over 1988. On the average, the 1989 security budget was $423,571.

Budgets Settle Down

More budgets will stabilize or increase in 1990. Just over nine of 10 security operations report their budget will grow or remain the same. Even better, 42 percent report an increase, compared to 35 percent in 1989.

The gap between budget

Size Of Security Budget 1989

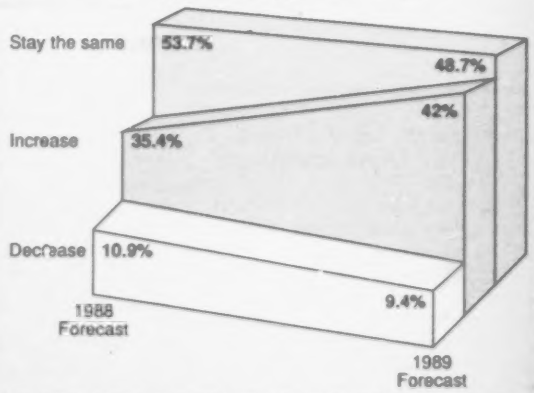
In thousands of dollars

Less than $25	21.9%
$25 - $50	8.9%
$51 - $100	12.9%
$101 - $250	16.5%
$251 - $500	11.6%
$501 - $750	6.3%
$751 - $1M	5.4%
More than $ 1M	16.5%
Average	$423,571

Six out of 10 security operations have a budget under $500,000.

Source: SECURITY

Budget Change For 1990

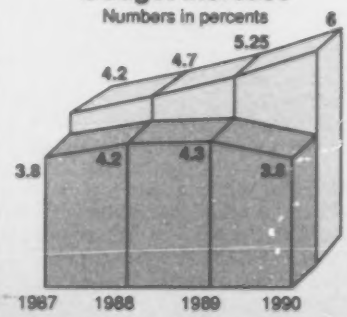


Security budgets are more bullish for 1990, but total dollar growth is less than 1989 projections.

Source: SECURITY

Projected Annual Budget Increase

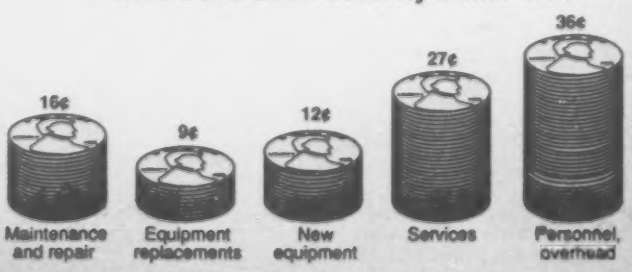
Numbers in percents



Continually lagging inflation, security still projects a budget increase in 1990.

Source: SECURITY

Where Does Each Security Dollar Go?



There's no noticeable change in distribution of security dollars from 1988 to 1989.

Source: SECURITY

Money Available
outside security budget

increase and inflation hurts. Security disagrees when asked if there is adequate budget compared to 1980.

About one in every 10 operations faces more bad news — a projected decrease in security budget in 1990.

Budget represents a spending plan divided consistently into five relatively unchanging categories, with personnel getting the lion's share.

When projecting budget distribution in 1990, security will spend more on new equipment than personnel — a reversal driven by automation and downsizing.

Size Dictates Spendables

Three spendables — personnel, services and maintenance/repair — relate uniquely to budget size.

Overall, personnel costs go up more sharply as total budget increases. For example, if the security budget is less than $25,000, personnel costs are about 25 cents of each dollar. When the budget is $750,000 or larger, half (50 cents) goes for personnel and overhead.

Just the opposite happens in repair and maintenance. The bigger the budget, the less spent. With budget less than $25,000, maintenance is about 29 cents of every dollar. When budget is $750,000 or larger, only 9.2 cents of every dollar goes for maintenance.

Services are another kettle of fish.

Middle-sized operations find contract services most attractive. When the security budget is mid-level ($100,001 to $250,000), about 40 cents of each dollar goes to services. At low and high ends of budget, service spending is pegged at about 22 cents.

OUTSIDE MONEY

Money outside the traditional security budget is increasing.

These additional dollars play a role in security's ability to hold the line and improve. Yet spending is spread over budgets controlled by others.

Most Have Extra Money

About 65 percent say there's money for security outside the traditional security budget — a remarkable 10 percent increase over last year.

On the average, these "outside the security budget dollars" amount to about $44,106. Most come from the capital equipment budget in 1990. Biggest growth capital equipment, parking/grounds and human resources.

PRODUCTS, SERVICES

In 1989, new products and contracted services received about 39 cents of every security dollar, plus a bit more from outside the budget.

While spread across a diversity of needs, top products were locks, access control, CCTV and security lighting.

Product Basics for 1990

This year, "bread and butter" equipment — CCTV and access controls — gets most attention.

There's also solid interest in locks, indoor intrusion detection, outdoor perimeter protection and integrated systems, with less interest in radio communications, personal identification and fire protection, possibly because of their already high use.

Emerging Technologies

Security down plays technology dazzle. It favors products and services already emerged — solid state CCTV, drug testing, personal computer security and quads — over those just introduced.

Yet there's experimentation from such emerging technologies as remote-monitored access control, fiber optics,

Strategy: Distribution And Downsizing

"Networks, advanced microprocessors and more powerful PC operating systems are technological legacies of the 1980s," points out John Moss, president, Software House.

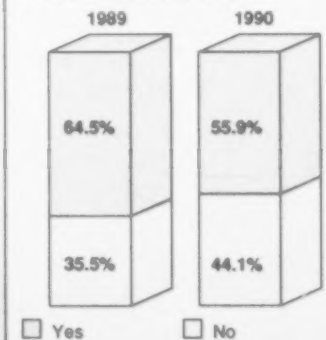
"These advances will set the pace for new products in the 1990s," leading to higher levels of integration, says Moss.

Two factors push integration: users want the best products no matter the manufacturer and want to upgrade capability without scrapping their original investment. "The best approach," points out Moss, "is development on two fronts: large distributed networks that reduce operating costs by centralizing administration and security control for multiple sites and downsizing of integration to run on PC-sized systems."

Moss predicts that security decision makers in the 1990s will increase their demand for systems that integrate card access, alarm monitoring, CCTV control, biometrics and administrative tasks.

Money From Outside Security Budget

Is money for security available outside the traditional security budget?



A trend shows increasing money for security from outside the security budget.

Source: SECURITY

color CCTV, downloading digital communicators and biometrics.

Whether new or old, equipment must be easy to use and work properly.

A Little Harder to Operate

Security strongly agrees that products are easy to use. Yet there's concern that equipment is getting a little harder to operate because of increased sophistication, labor market changes and system integration.

In addition, security agrees that false alarms are a problem but one that has leveled off.

Service Needs Bolstered

On the contract service side, more than half of security decision makers went outside in 1989 for alarm installation and repair, security officers and alarm monitoring.

Fastest growth last year: substance abuse help, security couriers, disaster planning and contract guards.

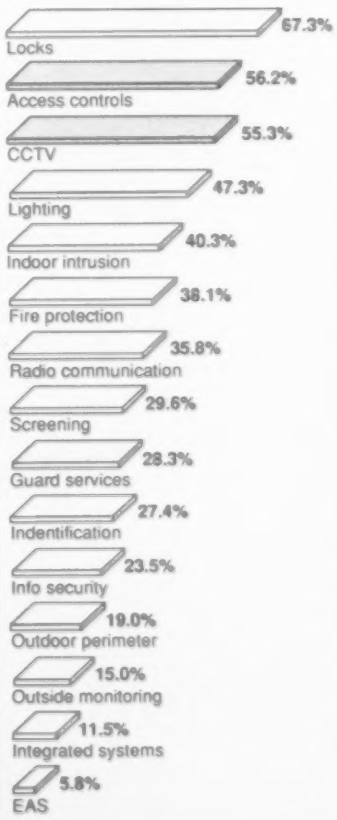
In 1990, a majority will seek outside help for alarm installation and maintenance. Four of 10 will contract for outside alarm monitoring. Two of 10 will contract for couriers, substance abuse help, access control, background investigations, pre-employment screening, investigations and off-site records storage. And one of 10 will contract for disaster planning help and security-related consultants.

SECURITY STAFF

The number of security employees remained relatively stable in 1989, at about 11 employees per security department, on the average.

About 17 percent of operations are one or two person shops, while 70 percent have 29 or fewer security employees. Yet there is plenty of action at the other end. About 11 percent manage a security workforce of over 100 people.

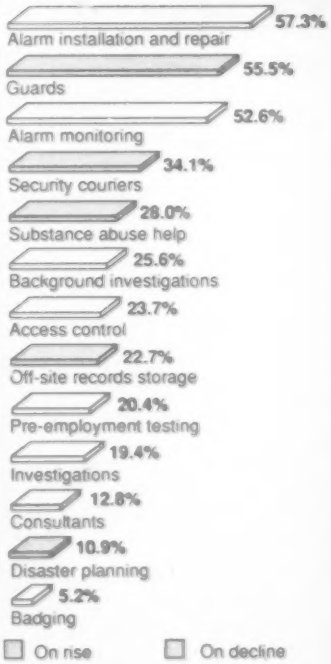
Product, Services Purchased Last 12 Months



CCTV, access control and guard services are projected to be biggest purchases in 1990 from a diversity of products and services in 1989.

Source: SECURITY

Contracted Outside Services In 1990

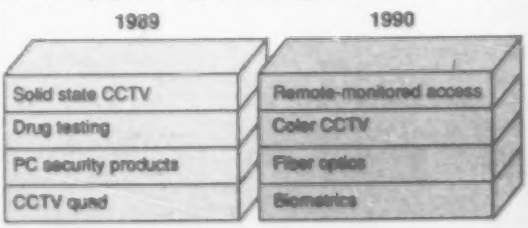


The breakdown of contract service use remained fairly constant 1989 to 1990.

Source: SECURITY

New Technology Takes Hold

What emerging technologies show biggest gain in 1989 and 1990?



Attractive emerging technologies include tools that improve identification and productivity.

Source: SECURITY

Staff Slide Stops

During the 1980s, security staff — on the average — decreased. There are signs, however, that pressure to constantly decrease staff has bottomed out. For example, fewer departments in 1990 plan to decrease staff (6 percent compared to 17 percent in 1989) while figures remain constant for those increasing or stabilizing staff levels.

This year, staff will increase most often when the security investment is up, the security budget is $250,001 to $750,000 and in the retail/wholesale arena. Staff decreases will happen when business is down, security investment is down and the security budget is $750,000 or over.

TRAINING, AWARENESS

Of all issues, staff training and employee awareness programs show the steadiest upward growth since 1987.

On the training side, most security competence comes from on-the-job training. Yet more than half of all security operations (53 percent) have a formal training program. Strongest growth: films/videos.

About 14 percent provide no training. One explanation: most "no training" operations are one or two person shops.

On the awareness side, about three of four security decision makers use personal contacts and memos to get the word out. About 69 percent of organizations conduct some form of new employee orientation that includes security awareness messages. And more than half of security operations use information meetings, security patrols and an open door policy.

PROFILE OF RESPONDENTS

A four-page questionnaire was mailed to 1,000 security decision makers, randomly sampled from the field's largest data base of security executives — SECURITY readers. Excluded were alarm dealers, alarm installers, security distributors, security consultants and engineers. More than 28 percent response was received.

Results reflect respondents distributed across a diverse profile of [illegible]ons.

This 1990 Forecast Study is part of the SECURITY DATA BANK — continuing, exclusive and useful studies of decision making, spending and planning. An executive summary and complete tabulations of this and other SECURITY DATA BANK reports are available. Circle 155 on your reader service card for further details.

Importance Of Training, Security Awareness

Security decision makers rank importance of training and security awareness with 5 being very important

Security decision makers indicate a growing need for better training of staff and more security awareness programs.

Source: SECURITY

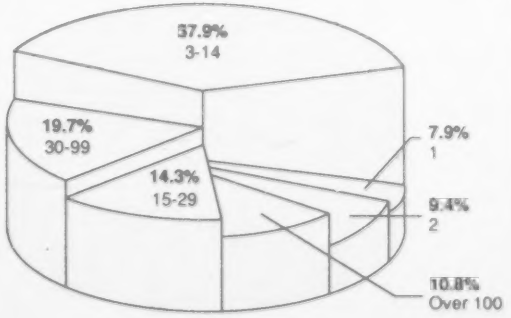
Strategy: More Payback

"Certainly CCTV and electrical-mechanical access control systems are the cornerstone for spending this year," points out George S. Brody, vice president of marketing at Burle Industries' Security Products division. "Computer and communication technologies drive more products and systems."

Specific to the CCTV market, Brody believes:

- Solid state CCD will continue as a popular emerging technology;
- Color CCTV equipment "will take off in 1990 with improvements in sensitivity and value"; and
- Rapidly changing technologies and shorter product life cycles will spur essential continuous development.

Security Employees Per Organization

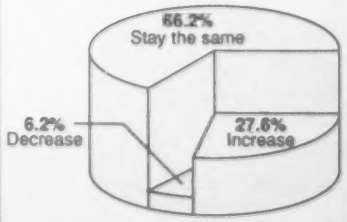


*Average per organization: 11 employees (1988 and 1989)

There's no change in average number of security employees per organization, although the trend continues slightly downward.

Source: SECURITY

Staffing Changes For Next Year



Security decision makers predict the slight decrease in staff numbers has bottomed out, with some new growth.

Source: SECURITY